

HCS HB 561 -- PROSECUTING AND CIRCUIT ATTORNEYS

SPONSOR: Walker (3)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Pensions by a vote of 11 to 1. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 12 to 0.

This bill modifies provisions relating to the prosecuting attorneys' and circuit attorneys' retirement fund. In its main provisions, the bill:

- 1) Allows any county that votes to make the county prosecutor a full-time position that will be eligible for such retirement benefits;
- 2) Modifies the definition of compensation to include salary reduction amounts under a cafeteria plan or eligible deferred compensation plan;
- 3) Requires members of the retirement fund, beginning January 1, 2018, to contribute 2% of their gross salary to the fund which will increase to 4% beginning January 1, 2020. Non-vested members who separate from the system will receive a lump sum payment equal to their total contribution only, which shall not exceed 25% of the members final average compensation;
- 4) Allows the retirement system, in addition to any retirement benefits paid to a member at retirement, to return the contributions made by the member in a lump sum;
- 5) Specifies that any person who becomes a member after January 1, 2019 will be eligible to retire with a normal annuity at age 65 with at least 12 years of service;
- 6) Modifies the Cost of Living Allowance (COLA) provision to provide a COLA between 2% and 4% which will be equal to the increase in the consumer price index when it is at least 2% and not more than 4%;
- 7) Specifies that any member with less than 12 years of creditable service on January 1, 2018, who terminates employment after such date with 12 years of creditable service, shall be entitled to a deferred normal annuity payable at age 60;
- 8) Allows former members with forfeited creditable service to restore such service if they become employed within 10 years of terminating employment, completing four years of continuous

membership and contributing an amount equal to the any lump sum benefit received; and

9) States that members serving as Prosecuting Attorney in counties that elected to make the position full-time shall receive one year of creditable service for each year served as a full-time and six tenths of a year for each year as a part-time prosecutor.

This bill is similar to SCS SB 309 (2017) and HB 2538 (2016).

PROPONENTS: Supporters say that this bill will help make the funding for the retirement plan more stable. Members will now be required to contribute to the plan.

Testifying for the bill were Representative Walker and Bob McCulloch, Prosecuting Attorneys and Circuit Attorney's Retirement Fund.

OPPONENTS: There was no opposition voiced to the committee.